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INTELLIGENCE STRUCTURE AND MISSION RESPONSE TO PART 2 of PRM-11

The issue of which organizational arrangements will most effectively serve the wide variety of intelligence needs of national, departmental and tactical users is a perennial one.

Since 1947, intelligence collection has become far more technically sophisticated and complex. Earlier distinctions between national and departmental intelligence have blurred, but not disappeared.

Questions about the three dimensions of modern intelligence organization---resource management, tasking, and line authority---have been particularly controversial:

- (1) How best to allocate financial resources in a way which will provide the types of intelligence capability desired over the long term;
- (2) How best to control the tasking of existing intelligence collection assets in support of short term requirements;
- (3) How best to distribute line authority (i.e., day-to-day execution of the various ingredients required to respond to the current operational taskings.)

Resource Allocation

Rapid growth in the sophistication of Soviet weapons systems and communications technology over the last 15 years, coupled with the advent

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of advanced U.S. collection systems, has driven up the total cost of U.S. intelligence programs. Since 1971, there has been pressure both within the Executive Branch and from Congress to constrain the resources devoted to intelligence and to ensure that there is no wasteful duplication of effort.

DCIs have played a greater or lesser role in the resource allocation process depending on their own proclivities and their interaction with the Secretary of Defense.

The CFI was empowered by E.O. 11905 to "control" budget preparation and resource allocation for the National Foreign Intelligence Program (NFIP) and to review and amend NFIP budget items. The DCI was made chairman of the CFI, but no guidance was provided in the event that a majority of the Committee should disagree with the view of the DCI. Moreover, some confusion was created within the Executive Branch and in Congress because the Secretary of Defense is, by law, responsible for the DoD budget, while E.O. 11905 states that the CFI shall "control" and "amend" elements of the DoD budget. E.O. 11905, specifically removed tactical intelligence from the National Foreign Intelligence Program.

At present, resources for those elements of the NFIP which are under the direction of the Secretary of Defense are subject to the same planning, programming and budget processes as all other DoD programs. They are also subject to review by the CFI.

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There are basic issues in question:

- 1) Whether for purposes of efficiency and economy the NFIP budget should be under the direct control of one official rather than two, as at present.
- 2) If so, whether that official should be the Secretary or the DCI.
- 3) And if budget authority is so centralized with either SecDef or DCI could they objectively exercise such authority when one or more of the agencies competing for resources would be under his operational control of the official in question (as would be the case, for example, if DCI continued to control CIA or the SecDef DIA, NSA, NRO,).

Tasking

At present, application of intelligence resources to specific collection priorities reflects the primacy of the DCI in this area. The DCI controls CIA clandestine services; the principal interagency committees which prioritize both SIGINT and imagery tasking report to him.

Tasking has been complicated because intelligence collection systems have become increasingly capable of serving the broad interests of policy makers and defense planners, the more specific technical interests of weapons developers, and the combat intelligence requirements of field commanders.

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One issue is how to provide the tactical commander the appropriate product from nationally controlled intelligence assets and to enable that commander to task assets, national and tactical, which can be directly responsive to his needs. The obverse issue is ensuring that the appropriate product of "tactical" intelligence collection is made available to national policy makers. Still another issue is whether or not there needs to be a central mechanism to coordinate and prioritize the tasking of national systems is a key question. Bearing in mind that wars tend to be fought with organizations which existed in peacetime, the organization adopted for intelligence management should be designed to be as effective in wartime as in peacetime.

Line Authority

In addition to resource allocation and operational tasking, other management dimension is personnel management (including the ability to hire and fire and to evaluate employee performance) and maintenance and operation of support systems. The DCI has had full line authority in this respect only over the CIA, with SecDef retaining these prerogatives for DoD systems and organizations.

How the Community is Organized Today

The two most basic functions of the intelligence community are collection, and analysis. These activities support a variety of users including the President and the NSC, Congress departmental heads, Unified and Specified Commands, tactical field commanders, etc. Analytic

centers are generally oriented toward specific areas i.e., DIA
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toward military and political issues, INR toward political and economic issues and CIA overlaying both from a national and non-policy point of view. Collection operations are maximized to collect data which can be useful to all types of consumers i.e., NSA collects signals intelligence, some of which supports the national policy maker, some departmental heads, some military commanders and some supports all of the above. The following matrix depicts present organizational arrangements:

	Line Authority	Resource Allocation	Tasking
Analysis for National Intelligence	A	B	NA
Analysis for Departmental/Tactical Intelligence	D	D	NA
Collection of Intelligence	E	B	C

A. DCI has line authority over CIA/NIOs which produce national intelligence. SecDef has line authority over DIA; SecState over INR.

B. Collegial allocation of resources by the PRC(I) chaired by the DCI.

C. The DCI through collegial mechanism tasks SIGINT, imagery and Clandestine Service intelligence collection assets directly. All other

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department/agency heads must use DCI tasking mechanisms to task those collectors. DCI must go through DIA to task Military Services tactical assets.

D. Departmental and subcomponent heads exercise line authority and resource management directly over their integral components which produce intelligence for their use.

E. The Secretary of Defense has line authority over NSA [REDACTED]

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[REDACTED] attaches and the intelligence collection assets of the Military Services; the DCI has line authority over Clandestine Services of CIA.

Organizational Alternatives

For national intelligence systems, a key question with respect to resource management, line authority, and tasking involves the proper balance between (a) centralization of control in the DCI and (b) use of DoD dedicated resources designed principally for support of military operations such as aircraft, submarines, satellite boosters, and the like. The objective must be to organize the multiplicity of collection systems which, given the diversity of targets, will exist in almost every case, to be as responsive as possible to the needs of all consumers consistent with an acceptable overall cost.

With respect to this issue, two differing viewpoints have characterized the debate over the years: one envisions a centralized intelligence structure and assigns responsibility for resource allocation to the DCI; the other

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employed for collection and overlap among national, departmental and

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tactical needs, extending to both tasking and the allocation of resources, and would decentralize responsibility. The former stresses resource rationalization and economy; the latter stresses responsiveness to the needs of the military users.

One corollary of the present collegial, PRC method of making decisions on resource management is that the intelligence portions of the DoD, State, etc., budgets become fenced. Thus, once the PRC has made a decision, the Secretary of Defense, or the Secretary of State, must either accept that decision or appeal to the full NSC.

It should also be remembered that the PRC is a collegial mechanism and there is no provision in E.O. 11905 for the eventuality that the PRC becomes divided two against two, or that the DCI is outvoted.

Current tasking procedures acknowledge the primacy of the DCI in prioritizing tasking over intelligence collectors by means of collegial mechanisms which are advisory to the DCI. However, the DCI has no certainty that the collectors will be responsive to his tasking. Tasking arrangements also ought to ensure the responsiveness of collectors at all levels to the tasking of departmental and tactical users. Tasking arrangements must also provide for the rapid and effective transition from peace to crisis to war.

Possible Organizational Changes

A. Managing Analytic Functions

For managing analysis, several options are possible. One would be to have the DCI exercise resource management, over all analysis centers.

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Another option for managing analysis would be to leave things as they are with the DCI managing the resources for CIA's analytic center, the SecDef managing those for DIA, etc. and the SecState those for INR. A third option would be for the SecDef to manage the resources for all intelligence analysis centers.

Regarding operational tasking of the various analytic centers, one option would be for the DCI to have the authority to task all centers. However, care would have to be taken to ensure that the ability of centers to support their departmental/ tactical consumers would not be adversely affected by their tasking to support the national policy makers. A modification on this would be to permit the DCI to task DIA and INR to participate in national estimating activities approved by the NFIB.

As for line direction over the various analytic centers, there would seem to be two basic options. One is to leave line direction as it is. The other would be to give the DCI line direction over all of them.

B. Managing Intelligence Collection Activities

In the case of intelligence collection activities, there are also several options. One would be to leave things as they are with a collegial mechanism (PRC) controlling the CIA budget and the intelligence portions of the budgets of State, Defense, Justice, Treasury, ERDA, etc.

A second option would be to have the DCI alone control those budgets. A third would be to have the SecDef control them and fourth would be to have the SecDef, SecState, etc. submit the intelligence portions of their

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budgets to the DCI who could veto any item.

Options for operational tasking of the various collection assets include the present system in which the DCI unilaterally tasks the CIA/DDO and tasks the NSA, [] via collegial mechanisms while the SecDef controls tasking over attaches and tactical assets.

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A second option would be the same arrangements as above but with specific provision for transfer of the tasking authority to the SecDef upon direction of the President, presumably for times of military tension or conflict.

Finally, there are several options for exercising line direction over the various collection activities. One is to continue the present system in which the DCI exercises direction over the CIA/DDO while the SecDef controls NSA, [] the attaches and the Military Services.

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A second option is for the DCI to exercise line direction over all assets over the DDO, NSA, [] while the SecDef retains direction over the attaches and the Military Services.

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A third option is that the SecDef would exercise line direction over CIA/DDO as well as the collection assets he now controls.

From these options one can construct a variety of interrelationships, requiring either minimal or major change to existing statutes and Executive Branch directives. Considerations of efficient management, effective span

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of control, duplication of existing management and budget systems, and optimum functioning of the structure in peace, crisis and war impace on choosing the best mix in assigning responsibilities. The resulting structure must support the DCI in his primary role as the principal intelligence advisor to the President and coordinator of the national intelligence effort and also support the Secretary of Defense in the conduct of his National Command Authority responsibilities.

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